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OFFICE OF HOMELAND SECURITY

August 8, 2008

Larry Savoy, Assistant Director
San Diego Metropolitan Transit System
1255 Imperial Avenue, Suite 900
San Diego, CA 92101

Monitoring Report # M08-033

Dear Mr. Savoy:

On June 23, 2008 the Office of Homeland Security (OHS), Monitoring and Audits Unit, Program Monitor, Mohammad Mokarram conducted a monitoring review for the purpose of monitoring homeland security grants. I wish to thank you and your staff for the courtesy extended to Mr. Mokarram during the review process. Enclosed, you will find the monitoring report for the following grants:

GRANT	PROGRAM NAME	PERIOD MONITORED
2004-0045 #073-91117	FY04 Homeland Security Grant Program (HSGP)	12/01/03 to 06/23/08

The monitoring included a review of staffing needs, operational practices, source documentation, activities, and data reporting requirements. In addition, the monitor examined the grant for compliance with federal financial, administrative and auditing requirements, program guidelines, and other mandates as applicable. Finally, the monitor performed a selected review of accounting records that support the amounts claimed in your reimbursement requests. Project expenditures were validated to provide reasonable assurance that expenses are related to the grant, proper records are maintained, and expenditures are properly authorized and recorded.

As a reminder, the purpose of monitoring is to assist projects in the achievement of their goals and aiding them in administering their grant funds in the most effective and efficient manner. The monitoring is used as a tool to assist the subgrantee in complying with these requirements. Your OHS Program Representative will receive a copy of the monitoring report. Their name and phone number are identified on the face sheet of the report.

If the monitoring report does not identify any findings, a Corrective Action Plan is not necessary and the monitoring process is complete. **If any findings are identified in the monitoring report, you will have 120 days from the last day of the monitoring review to submit a Correction Action Plan to the Program Monitor.**

The corrective action process provides two options:

Option One – The subgrantee self certifies by the submission of an Action Plan that details the corrective steps implemented, and that any finding(s) noted in the monitoring report are resolved.

Option Two – Submission of an outlined Corrective Action Plan that addresses the findings noted in this report to be reviewed and approved by OHS program staff (i.e. technical assistance).

When corresponding to our office regarding this monitoring report, please include the monitoring control number on all correspondence. Send your response to:

Governor's Office of Homeland Security
Grants Administrative Section
Monitoring & Audits Unit
State Capitol
Sacramento, California 95814

Thank you for your participation in the monitoring process. If you have any questions regarding this letter or the attached report, please feel free to contact Mr. Mokarram at (916) 322-1901.

Sincerely,



Brendan Murphy
Deputy Director
Office of Homeland Security

Attachment

cc: Jason Peery, Program Representative
Monitoring & Audits Unit, chron file
Grants Management Unit, grant file

Monitoring Report Response Form

TO:	Governor's Office of Homeland Security Grants Management Section Monitoring & Audits Unit State Capitol Sacramento, CA 95814	Grant Numbers:	<u>2004-0045</u>
		Monitoring Control Number:	<u># M08-033</u>
	Attention: Mr. Mohammad Mokarram, Program Monitor	Response Due:	<u>09/12/2008</u>

FROM: Subgrantee: San Diego MTS

Option One

☐

I have reviewed and acknowledge receipt of the above referenced monitoring report.

Authorized Signature

Title

Date

Typed Name

Title

Telephone Number



**CALIFORNIA GOVERNOR'S
OFFICE OF HOMELAND SECURITY
MONITORING NARRATIVE REPORT**

GRANT/FIPS NUMBER	PROGRAM NAME	PERIOD MONITORED	MONITORED AMOUNT
2004-0045 073-91117	FY03 Part II State Homeland Security Grant Program (SHSGP)	12/01/03 to 06/23/08	\$400,000

San Diego Metropolitan Transit System

AUTHORIZED AGENT:	Paul C. Jablonski	ADDRESS	1255 Imperial Avenue, Suite 900 San Diego, CA 92101
CONTACT EMAIL:	Paul.Jablonski@sdmts.com		
CONTACT PHONENUMBER:	619-595-4949		
ALTERNATE POINT of CONTACT:	Larry Savoy		
CONTACT EMAIL:	619-595-1019		
PROGRAM REPRESENTATIVE:	Jason Peery	E-mail:	Jason.Peery@ohs.ca.gov
PHONE NUMBER:	916-324-5947		
PROGRAM MONITOR:	Mohammad Mokarram	E-mail:	Mohammad.Mokarram@ohs.ca.gov
PHONE NUMBER:	916-322-1901	DATE OF MONITORING:	06/23/2008

PERSONS INTERVIEWED DURING MONITORING VISIT

NAME	TITLE	AGENCY
Larry Savoy	Assistant Director	San Diego MTS

Prepared by:

Mohammad Mokarram, Program Monitor, OHS Administration Services Division, Monitoring & Audits Unit

8/8/08
Date

Approved by:

Brendan Murphy, Deputy Director, OHS Administration Services Division

8/14/08
Date

Monitoring Report

Monitoring Report Summary	Total # of Items in Category	In Compliance	Not in Compliance	Not Monitored	Not Applicable	Total
A. Administrative Review						
Review of Audit Reports	2	1			1	2
Grant Assurances	1	1				1
Grant Approval Notification	2	1			1	2
Performance Reports	1	1				1
Homeland Security Strategies	1	1				1
Publication of Published Materials	1				1	1
B. Programmatic Review						
Program Goals and Objectives	2	2				2
Exercise	2				2	2
Training	1				1	1
Planning	1				1	1
C. Financial Management						
Accounting System	8	8				8
Distribution of Funds	1	1				1
Advance of Funds	2				2	2
Charge Requests/Modifications	2	2				2
Maintenance of Records	1	1				1
D. Fiscal: Personnel Services						
Management and Administrative Services	3				3	3
Overtime/Back Fill	3				3	3
E. Fiscal: Procurement						
Responsibility	1	1				1
Methods of Procurement	4	2			2	4
F. Fiscal: Equipment & Property Management						
Equipment Purchases	3	3				3
Property Management & Records Keeping	2	2				2
G. Subgrantee Monitoring & Oversight						
Subrecipient single audit requirements	1				1	1
Management and Administrative Responsibility	1				1	1
Overtime/Backfill/CTO Responsibility	1				1	1
Procurement Responsibility	1				1	1
Equipment & Property Management Responsibility	1				1	1
Total	49	27	0	0	22	49

Monitoring Report

PROGRAM SUMMARY

Corrective Action Plan: Not Required.

MONITORING REPORT DETAIL

A. Administrative Review: Subgrantee in compliance (5 items); Not applicable for Subgrantee (3 items).

1. **Review of Audit Report:** Subgrantee in compliance (1 item); Not applicable for Subgrantee (1 item).
 - a. Audit reports submitted as required. Subgrantee in compliance (1 item).
 - b. Findings noted and corrective action plan addressed. Not applicable for Subgrantee (1 item).
2. **Grant Assurances:** Subgrantee in compliance (1 item).
3. **Grant Approval Notification:** Subgrantee in compliance (1 item); Not applicable for Subgrantee (1 item).
 - a. Maintain required records. Subgrantee in compliance (1 item).
 - b. Conditions Rectified: Not applicable for Subgrantee (1 item).
4. **Performance Reports:** Subgrantee in compliance (1 item).
5. **Homeland Security Strategies:** Subgrantee in compliance (1 item).
6. **Publication of Materials:** Not applicable for Subgrantee (1 item).

B. Programmatic Review: Subgrantee in compliance (2 items); Not applicable for Subgrantee (4 items).

1. **Program Goals & Objectives:** Subgrantee in compliance (2 items).
2. **Exercise:** Not applicable for Subgrantee (2 items)
3. **Training:** Not applicable for Subgrantee (1 item).

Monitoring Report

- B. 4. **Planning:** Not applicable for Subgrantee (1 items).
- C. **Financial Management:** Subgrantee in compliance (12 items); Not applicable for Subgrantee (2 items).
1. **Accounting System:** Subgrantee in compliance (8 items).
 2. **Distribution of Funds:** Subgrantee in compliance (1 item).
 3. **Advance of Funds:** Not applicable for Subgrantee (2 items).
 4. **Change Request/Modifications:** Subgrantee in compliance (2 items).
 5. **Records Maintenance:** Subgrantee in compliance (1 item).
- D. **Fiscal: Personnel Services:** Not applicable for Subgrantee (6 items).
- E. **Fiscal: Procurement:** Subgrantee in compliance (3 items); Not applicable for Subgrantee (2 items).
1. **Responsibility:** Subgrantee in compliance (1 item).
 2. **Methods of Procurement:** Subgrantee in compliance (2 items); Not applicable for Subgrantee (2 items).
 - a. Small Purchases: Subgrantee in compliance (1 item).
 - b. Formal Advertisement Invitation for Bid (IFB): Subgrantee in compliance (1 item).
 - c. Competitive Proposals: Not applicable for Subgrantee (1 item).
 - d. Noncompetitive Proposals: Not applicable for Subgrantee (1 item).
- F. **Fiscal: Equipment & Property Management:** Subgrantee in compliance (5 items).
- G. **Subgrantee Monitoring & Oversight:** Not applicable for Subgrantee (5 items).